

GRAINMatters



EDITION 54, March 2021

UPCOMING EVENTS

- 14 April 2021** Trade Rules & Contracts
- 21 April 2021** Modernizing the Supply Chain
- 29 April 2021** Understanding Grain Markets
- 5 May 2021** Trade Rules & Contracts
- 12-13 May 2021** Export Contracts & Documentation

COVID-19

GTA have established a COVID-19 page on our website, as information source for Members.

In response to member demand, GTA has set up COVID-19 Safety Guidelines.

[Access COVID-19 page here](#)

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AGIC ASIA LIVE A VIRTUAL SUCCESS

AGIC Australia was held on the 3rd of March 2021 as a virtual conference with **over 650 delegates registering and attending from 25 countries**. Countries with significant representation included Australia, China, Indonesia, Singapore, Philippines, and Vietnam.



GTA continued to receive good support from Austrade in several markets in promoting and raising awareness of AGIC Asia and assisting to build strong support from sponsors through in-market contacts.

The 2021 theme was “Confidence Builds Demand”. All sessions were well attended and feedback on the speakers and the content has been positive.

The sessions focused on Australian exports, crop quality and future demand. Technical sessions presented by AEGIC focussed on improving feed utilisation and nutritional health.

The presentation by JY Chow on Asian protein demand, was particularly interesting in terms of strategic challenges to protein demand, and potential slowing in CAGR.

AGIC Asia brand is growing with over 93% of AGIC Asia 2020 participants registering for AGIC Asia 2021. This will provide a sound base moving forward to continue to promote the key AGIC Asia themes around quality assurance in the Australian grain supply chain, the importance of mutually beneficial trade and extracting full value and utilisation from Australian grain.

GTA would like to thank the AGIC Asia Partners and sponsors – HFW, AEGIC, CBH, Viterra and GrainCorp.

NHVR—FIRST PROSECUTION OF A CONSIGNOR

Grain industry participants need to be aware the National Heavy Vehicle Regulator is prosecuting the consignor of the load for the first time.

- The load, a shipping container carrying 26 tonnes of imported timber plywood products rolled over in Dandenong in November 2019. The case is the first prosecution of a consignor by the NHVR following the 2018 amendment of the Heavy Vehicle National Law which made all parties in the supply chain part of the Chain of Responsibility, with a shared duty to ensure the safety of transport activities.
- Allegations by the NHVR include failure to comply with loading and restraint requirements, failure to advise an overseas supplier of Australian safety regulations and failure to advise the driver and operator how the load was packed.

NHVR - FIRST PROSECUTION OF A CONSIGNOR CONT.

As the first case to be prosecuted of a consignor under this law there will be learnings and potentially precedents to be understood. It may provide an opportunity to gain a greater understanding of the risk and exposures for all industry supply chain participants and especially consignors.

GTA has recently updated its [Grain Industry Transport Code of Practice](#) and recommends GTA members review this Transport Code and consider the exposure and risks that may apply based on your level of involvement within the grain supply chain.



CONTAINER SUPPLY CHAIN ISSUES

As reported in the prior edition of Grain Matters the global container supply chain continues to be stretched by Covid-19 related dynamics, just as demand for food grade containers returns with the 2021 harvest.

The increase in market demand has created supply imbalances and supply chain congestion which has destabilised the efficient management of loaded and empty containers and is reportedly resulting in some exporters decreasing exposure to the container market.

Issues being experienced in the grain container supply chain by GTA Members supply chain include:

- Frequent rolled/delayed shipments requiring variations to contracts and associated risk.
- Congestion in Empty Container Parks.
- Inability to access empty containers or delayed access to empty containers.
- Reported high level of empty container rejections by AOs due to phytosanitary issues.
- Late access to containers having severe impacts on grain packers / fumigators and especially if regionally located.
- Trade ex- China is reverting to 20ft boxes on account of demand and shortage of 40ft boxes leading to abnormal SnD of 20ft containers.
- Anecdotal reports of higher incidence of empty containers being exported to meet demand for empty containers in export hotspots and difficulty in acquiring space on vessels for Australian grain exports.

CONTAINER SUPPLY CHAIN ISSUES CONT.

Additional Container Supply Chain Impact—DAWE Khapra Beetle Process:

- **Containers imported from High Risk Countries**
- DAWE has implemented new requirements to manage the risk of the entry of the Khapra Beetle a prolific destroyer of a large range of plant products. The Khapra Beetle has a inherent ability to hitch a ride in shipping containers in the spaces under the wooden flooring and can lay dormant for very long periods.
- To minimise the risk to Australia’s agricultural industry DAWE is targeting containers imported into Australia that contain high-risk plant products from a Khapra-target country.
- These containers will be subject to mandatory offshore biosecurity treatments (from 12 April 2021). Containers that arrive untreated will not be permitted clearance.
- **Containers utilised for Australian Grain Packing**
- All shipping containers, from high-risk countries (empty and full that have not been fumigated as part of the import process) to be moved from metropolitan areas to regional postcodes will be subject to a requirement to be fumigated prior to being permitted to be dispatched to regional areas.
- This measure **to be implemented mid-year** is to restrict any potential for khapra beetle to be transported to regional areas of Australia.
- This requirement **may create additional delays and may further reduce the available of containers that are food grade compatible** in a supply chain already severely impacted by trade imbalances.

GTA members need to be aware of these changes and any likely further restrictions within the supply chain and plan where possible contingency measures to reduce your risk.



AGEC & GTA MEET WITH THE HONOURABLE DAN TEHAN

The Australian Grain Exporters Council and GTA's Trade and Market Access Committee (TMAC) had an introductory meeting in March 2021 with Minister Dan Tehan and utilised the opportunity to promote the post farm gate sector and the newly developed Market Diversification strategy.

The Market Diversification Strategy, as reported in the previous Grain Matters, developed through the TMAC builds a strategy for a joint industry and government response that provides a platform for the grain industry to capture opportunities and **develop a sustainable and diversified market portfolio**.

This strategy will assist the industry to redefine how to add and capture value **with an aim to shift market focus**, reassess country risk, define new models and focus on innovation and modernising value chains.

The meeting with Minister Tehan was well attended and resulted in supportive discussion and the promise of further dialogue as the Market Diversification is developed.

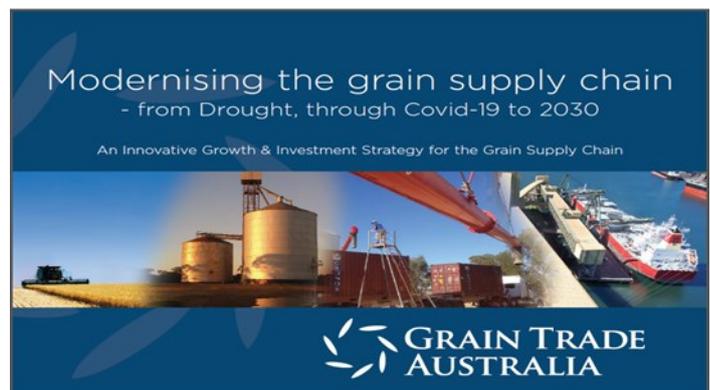


INDUSTRY TECHNOLOGY ROAD MAP

A beneficial outcome generated through the COVID-19 pandemic has been the advance in the speed of technology uptake, especially in the international trade of goods during the restrictive global lockdowns.

However, Australia can and must do more to ensure available efficiencies flow through to our supply chain participants.

Growth in the increasing complex supply chain will be enhanced if industry technology strategy and investment is aligned and effective. GTA, through its Information & Technology Committee is developing **an Industry Technology Road Map (ITR)** to provide a basic sense of direction and support IT development across industry and Government.



What is included in an Industry Technology Roadmap?

- An ITR is a **summary level guidance document** that:
 - ⇒ Describes the challenges faced by the grain industry
 - ⇒ Outlines the strategy for Technology and Innovations to support industry through these challenges.

What is the Purpose and Role of an Industry Technology Roadmap?

- The role of an ITR will be critical in assisting industry sectors and government agencies when considering any reviews of process, procedures, and direction in information technology. It will provide information and outline direction, including proposed areas of standardisation and targeted innovation.
- An ITR will allow GTA Members to stay aware of the direction for technology and to align their own strategies with the bigger picture. Importantly it will enable industry and government to align direction and to discover synergistic opportunities.
- Establishing group targets and innovation goals is a means to unite direction and to provide support and energy to ensure the agreed goals are achieved.



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How is an ITR developed?

- For success, the proposed ITR requires GTA member buy-in and engagement to maximise its value. GTA are seeking to work with industry participants to better understand what they see as industry level opportunities, innovations, and enablers.
- These can be simple goals including standardising a number format through to transformational goals involving major innovation that support industry growth.
- The process of capturing your opportunities and enablers will provide a means to capture both issues and 'good ideas' that have the capability to remove process and procedural redundancy within industry.

Launch of the ITR at the Modernising the Grain Supply Chain Summit

- GTA will launch the ITR with industry participants and government at the **Modernising the Supply Chain Summit** to be held on **21 April 2021**.
- The objective of the Grain Supply Chain Summit and the strategy enabling projects that will be discussed is to:
 - modernise components of the grain industry;
 - increase capability; and
 - reduce the risk of reputational damage for participants within the grain industry.

GTA RAISING CONCERN—AGVET CHEMICAL REGULATIONS

The Federal Government has appointed an expert Panel to review Australia’s Agricultural and Veterinary Chemical regulations and regulatory system, including the role of the Australian Pesticides and Veterinary Medical Authority (APVMA).

GTA and NWPGP have met with the Panel and provided a formal submission to outline industry views and concerns.

The Panel’s Report has been now been released and included a large number of [Recommendations](#).

GTA and NWPGP have several concerns around the general “tone” of the Report and several of the Recommendations, including:

- Several Recommendations not being substantiated by the contents of the Report
- A Recommendation to **establish a “Commissioner”** for chemical regulation in addition to APVMA. It is GTA’s view that establishing an additional layer of regulation, duplication, and confusion among stakeholders (including customers of Australian grain) should be avoided.
- A Recommendation to establish a **community stakeholder forum** for consideration of chemical regulations. This is creating an option to potentially include subjective/social issues rather than sound, tested science and risk-based approach to establishing regulations, usage labels etc. GTA and NWPGP strongly oppose this recommendation.
- A Recommendation to **accept usage labels** from other jurisdictions. While the report states they will assess usage for Australian environmental conditions and market access issues and requirements, there is little detail to make a suitable assessment. Implementation of this recommendation has the potential to significantly impact market access of Australian grain.
- A **general lack of recognition of chemical usage post the farm gate**, meaning significant risk of poor regulatory and label determinations impacting GTA members and causing significant market access issues and risks for GTA members.
- To address these concerns GTA and NWPGP have [provided a Submission](#) to the Panel and will continue to advocate to ensure reforms do not negatively impact on the Australian grain industry.



EUROPEAN UNION PROPOSED CHANGES TO CADMIUM TOLERANCES FOR GRAIN IMPORTS

The [EU has proposed changes](#) to the level of Cadmium on Agricultural commodities including imports and is calling for any comment on the proposed changes prior to the amendments taking effect and being fully adopted in June 2021.

Analysis of the [proposed changes](#) indicates changes to several commodities as listed in the link. Of note that GTA members should be aware of are proposed changes to barley, rye and pulses:

Country & SPS Number	EU SPS466 Proposed Commodity	Food	
		EU ML max (mg/kg)	
		Proposed	Current
Cadmium			
	Cereal Rye & barley	0.05	0.1
	Pulses, except protein from pulses	0.04	Not Set
	Proteins from pulses	0.1	Not Set

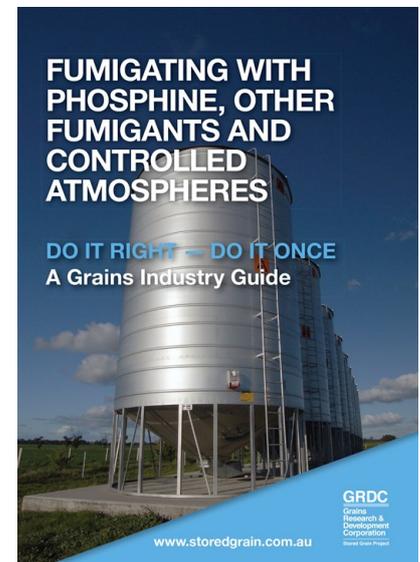
GTA members should be aware of these changes and consider if any change in risk apply to their circumstances.

FUMIGATION PRACTICES

The Commerce Committee at its January 2021 meeting discussed a member Submission to consider fumigation practices within the grain supply chain.

A subsequent review by a Commerce Sub-Committee indicated:

- There is risk associated with untreated grain in the Supply Chain in the post-harvest period. Grain that is not treated (contact pesticide) or fumigated creates supply chain risk the longer it remains untreated. This grain can increase the risk of rejection and market damage due to insects.
- Given the short lead times in the container supply chain the risk is amplified.
- It was noted the industry needs to consider the provision of further education and training to the storage and farm sector to assist in bringing their practices into alignment with best practice.
- This is required to minimise the incidence of insect resistance to PH3 and to prevent any inappropriate treatment that place industry reputation and its employees at risk.
- GTA will work with the Commerce Committee, the GRDC Stored Grain team and other industry associations to develop communication and to raise awareness of best practice fumigation management in the grain supply chain and compliance with DAWE requirements.



UPCOMING EVENTS

GTA TRAINING & DEVELOPMENT WORKSHOPS

Currently delivered via Zoom Webinars

14 April 2021 Trade Rules & Contracts

29 April 2021 Understanding Grain Markets

5 May 2021 Trade Rules & Contracts

12-13 May 2021 Export Contracts & Documentation

23-24 June 2021 Grain Merchandising

[Find entire Semester 1 workshop schedule here](#)



REGISTER NOW

[Modernizing the Supply chain Conference 21 April 2021](#)

21 April 2021

Virtual Conference - registration now open

Ticket Complimentary (free)

REGISTER NOW

Modernising the Grain Supply Chain Summit

From drought, through COVID-19 to 2030



**21 APRIL
2021**



[Australian Grain Storage & Protection Conference](#)

1-2 June 2021

Rydges Melbourne - Face to face event

(with a hybrid option)

Visit [conference website](#) for more information,
ticket options and accommodation special rates

AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

MEETING MARKET REQUIREMENTS

BROUGHT TO YOU BY THE NATIONAL WORKING PARTY ON GRAIN PROTECTION (NWPGP)



01-02 JUNE 2021
RYDGES MELBOURNE
186 EXHIBITION ST, MELBOURNE, VIC 3000



[AGIC Australia 28-29 July 2021](#)

28 - 29 July 2021

Crown Promenade, Melbourne

The Australian Grains Industry Conference

2021



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01-02 JUNE 2021

RYDGES MELBOURNE

186 EXHIBITION ST, MELBOURNE, VIC 3000



ONE EVENT - TWO EXPERIENCES:

Full Conference Ticket (in person at Rydges Melbourne)

Early Bird - \$395

- Attend 2 days at Rydges Melbourne
- Lunch & Morning tea provided
- Reconnect with industry peers (in person)
- Networking opportunities (in person)
- Exhibitors/Sponsor displays
- Q&A and Panel discussions
- Social function included
- Access to conference recordings for 30 days

Hybrid Ticket (via Live Stream)

Early Bird - \$225

- Live stream from Rydges in Melbourne
- Connect with industry peers via virtual platform
- Exhibitors/Sponsor virtual displays
- Q&A and Panel discussions via virtual platform
- Networking with delegates, speakers & sponsors (via virtual platform)
- Immersive experience for those that are not on-site
- Accessible attendance for interstate delegates
- Access to conference recordings for 30 days

- ◆ Wider Audience
- ◆ Inclusivity
- ◆ Greater Sponsor Exposure

- ◆ Options for Everyone
- ◆ High value level for Delegates and Sponsors
- ◆ Sustainable and leading towards hybrid events future

[REGISTER HERE](#)